1) Ambient Air (FY-07 $600,000)

Status and Cost Estimate: There is a final QAPP/FSP for this effort, and the sampling was begun in October 2006. This effort will be expanded later in FY-07 to include the processing areas (OUs 1, 2, 5, and 6). These additional costs are reflected in the Pipeline requests for the individual RI work.

Schedule: The ambient air program will run at least one year, and possibly as long as three for each location.

The uncertainties: Revolve around labor costs to collect the samples (with experience during the first four months of collection in line with the estimate), and possibly with analysis if we have to lower our analytical sensitivity (unlikely). Also with the length of time needed to calculate statistically meaningful long-term average concentrations

2) Indoor/Outdoor Activity Based Sampling (FY-07 $2,000,000/2,000,000 = $4,000,000)

Status and Cost Estimate: The initial estimate was just a scale up based on the limited indoor/outdoor activity based sampling that was done in FY 2005. We basically roughed out per home, per event rates ($12,500/home-event). We then took a first guess at how many homes it would take (80) and how many events per home (4) would be statistically powerful enough (assuming a combined poisson-log normal distribution of the dataset) to make conclusions. Hence, 4x80x$12,500= $4,000,000. The QAPP/FSP for the indoor portion is close to final, the outdoor portion is still in the works.

Schedule: A draft of the combined Indoor/Outdoor ABS QAPP/FSP is due by 3/1/07. Work will begin May/June 2007. The indoor sampling will be done at 80 properties during 4 quarterly events (i.e. finishing May/June 2008). The outdoor will consist of two events of three activities at 80-100 properties. The first event will happen May/June, the second in August/September.

The uncertainties. We are still in the throes of working out a final QAPP/FSP, so while it looks like the per home labor effort is similar (in terms of people and time) to previous efforts, this is not finalized. Also, we have not settled on a target analytical sensitivity. The Cadillac version (in the initial draft of the indoor only QAPP from November) of this would cost us more on the order of $3.75M. Version two came out last December. At that time it was decided to combine the effort with the Outdoor ABS and we are putting together pricing on it right now. As you can see from above the basis for the estimates done last September are slightly different than what is in the works for on the ground. From my last call with Volpe I'd reckon we are within plus or minus 20%.

3) Libby OU4 (FY-07$250,000)

Status and Cost Estimate: We have roughly 350 properties which we still have not screened to date, and other random assessment projects (such as house fires) crop up during the year. $250,000 is about what we've spent per year over the last 4 years. No reason to think FY-07 will be different.

Schedule: On-going

Uncertainties: It is just really hard to say what might crop up during the year.

4) Troy OU7 (FY-07, $1,000,000)

Status and Cost Estimate: The MDEQ has put together a good estimate based on our experience in implementing the CSS. We are making some adjustments and should have a final QAPP/FSP by 3/23/07.

Schedule: The screening of homes and properties will begin this April, and take two field seasons.

Uncertainties: It is hard to say what we will find in Troy, thus hard to predict a next step. Also, because of the contract mechanism we had to forward fund some FY-08 costs ($1.2M was put into the Cooperative Agreement instead of $1.0M). For the work done during the CSS in Libby there was a fair amount of fluctuation in per property assessment costs.

5) Processing Areas OU1, OU2, OU5, OU6 (FY-07 $500,000)

Status and Cost Estimate: Significant remediation has already been conducted on these OUs. Proposed approach is to fill in the data gaps as we move these areas into a more conventional Superfund process. We are in the process now of identifying data gaps to see what additional sampling will be needed to develop the RI(s) and FS(s) leading to the ROD(s). Decisions will be made as data comes in whether to do one ROD for all four OUs, or to do separate RODs for some or all of the four OUs in order to address one or more OUs faster than the others. Note that these OUs do not have many of the complicated risk issues associated with Libby proper (OU4) or Troy (OU7).

Schedule: Assessment of current data will be completed by 3/15/07, with FSP to be developed and implemented this summer. Preparation of documents will follow shortly thereafter.

Uncertainties: The full scope of sampling needed in FY-07 is not yet known, and follow up actions will largely depend on the results.

6) Mine OU3 (FY07 $610,000)

Status and Cost Estimate: This estimate addresses scoping and preparing an investigation plan in conjunction with negotiating an AOC with W.R. Grace to do the bulk of the work on the mine proper. It also addresses expanding the ambient air monitoring program to cover this OU. Planning is underway with Grace and it is anticipated that an AOC will be signed by early May

Schedule: If an AOC is signed this May, project plans will be developed early summer, with field work beginning during the 4th quarter of FY-07.

Uncertainties: A lot depends on negotiations with W.R. Grace.